



Assemblymember

Anna Kelles

Assembly District 125



Dear neighbors,

In January, the Governor released her proposed \$260 billion [Executive Budget for State Fiscal Year 2026–27](#). Now that the [30-day amendments](#) have been issued and the proposal is fully shaped, I want to walk through what's in it, what it prioritizes, and what it means for our region.

State Budget



The budget process in review

Session each year begins with the Governor giving a [State of the State Address](#) and releasing her State of the State [publication](#). This gives a highlight of what to expect from both the budget process and the executive priorities throughout the year. In late January the Governor released her [executive budget proposal](#), which officially launched the fast paced budget process. The budget consists of 10 actual budget bills totaling over 4,000 pages. Five of them look like a standard budget consisting

of brief program descriptions and budget fiscal allocations. Five of the bills are almost exclusively policy proposals for new initiatives or modifications on existing programs.

The legislature formally reviews each topic area of the executive budget proposal like public protections, social services, health, housing etc...through a series of intense bicameral budget hearings. You can watch recordings of each of these budget hearings [through this link](#) to hear directly from agency commissioners and legislative leaders.

On February 19th the Governor released a [30-day amendment](#) to her executive budget proposal. This is an annual tradition giving the Governor an opportunity to tweak her proposal based on feedback she has gotten since her initial proposal release.

Next week, both the Senate and the Assembly will release our respective “one-house” budget proposals. These documents reflect each Chamber’s response to the Governor’s executive budget and outlines our priorities and policy changes. Once those proposals are released, we enter the negotiation phase of the budget process. Throughout the remainder of March, the Senate, Assembly and Governor work to rectify the three proposals, refining them down to one final budget proposal. If we are on time, the Legislature will vote on the final budget by March 31st ahead of the start of the new fiscal year on April 1st.

Executive budget overview

The [Governor’s Executive Budget](#) proposal totaled \$260 billion, \$4.4 billion higher than the current 2025-2026 fiscal year. Roughly 65% of the annual spending increase supports the State’s two largest assistance and grants programs: Medicaid and School Aid. The 30-day amendments increased this total to \$262.7 billion.

Below is a summary of each major topic area of the budget and for the areas where I attended budget hearings to date (aligned with the committees I’ve been assigned) I have included a summary of changes stakeholders have advocated for to be included in the final budget.



Healthcare

According to the state constitution, every New Yorker has the right to quality healthcare, regardless of ability to pay or immigration status. About one in three New Yorkers (6.7 million) is covered by Medicaid. This figure includes children, working adults, seniors, and people with disabilities, not just unemployed adults. In fact, in New York, 71% of Medicaid adults are working (44% full-time, 27% part-time).

Medicaid provides comprehensive coverage with little to no premiums for people with incomes generally up to 138% of the federal poverty level (for reference, that equates to roughly \$21,000 a year for a single adult).

The [Essential Plan](#) is [New York's Basic Health Program](#) (BHP) and is designed to make health insurance coverage purchased through the New York State of Health marketplace more affordable for lower-income working New Yorkers who fall into the category who earn too much to qualify for Medicaid but don't earn enough to afford commercial insurance. It offers coverage with very low premiums and minimal out-of-pocket costs, and has become an important source of insurance for many working New Yorkers.

In response to a loss of over \$7 billion in federal funding for the Essential Plan from the HR1 passed by Congress last summer and signed by the President, the Governor's administration has announced that New York will roll back the expanded Essential Plan and revert the program to its original BPH structure. The state will lower the income eligibility limit from 250% of the federal poverty level back to 200%, effective July 1, 2026. As a result, approximately 450,000 to 470,000 New Yorkers will lose eligibility.

People who lose Essential Plan coverage will be expected to transition to marketplace insurance. While some will qualify for subsidies, marketplace plans generally require higher monthly premiums and higher out-of-pocket costs than the Essential Plan. For many affected individuals,

this will mean paying more for coverage. For others, it may mean becoming uninsured if the higher costs are not affordable.

For more information about the Essential Plan, [here](#) is a more complete summary.

Proposed Budget Summary:

- \$38.2 billion in projected State Medicaid spending (11.4% increase)
- 6.8 million New Yorkers enrolled in Medicaid
- 9.1 million covered when including Child Health Plus and the Essential Plan (34% of the population)
- \$1 billion in additional capital funding for the Safety Net Transformation Program. “Safety net” hospitals and providers serve a disproportionate share of low-income, uninsured and Medicaid patients. This funding is intended to improve access to care and modernize financially distressed hospitals.
- \$300 million in recurring operational savings. “Operational savings” refers to ongoing reductions in Medicaid spending that are expected to continue every year. These savings are typically achieved through administrative changes like adjusting reimbursement rates that providers get paid, changing eligibility requirements and shifting what benefits are covered and how services are provided. Depending on the details, these changes can impact providers, the services they provide and how patients access care.
- 77% of federal aid to New York flows through Medicaid and the Essential Plan yet the State receives only the minimum 50% federal match rate, making it particularly vulnerable to federal reductions.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor’s FY 2027 [Executive Budget Briefing Book here](#). If you would like to read more about the Healthcare budget breakdown, you can review [the written testimony here](#). A recording of the budget hearing testimony is [available here](#).



Mental Hygiene

In the State Budget, “Mental Hygiene” serves as an umbrella category which includes mental health, addiction services, and developmental disability programs. The Executive Budget increases overall funding for Mental Hygiene. services are largely funded through Medicaid, and the proposed rate increases are designed to help stabilize community-based providers and expand access to care.

Proposed Budget Summary:

- \$15 billion total Mental Hygiene spending in FY 2027
- \$917.6 million increase (6.5%)
- Office for People with Developmental Disabilities ([OPWDD](#)): \$7.85 billion (up \$342.8 million / 4.6%). OPWDD oversees services for individuals with intellectual and developmental disabilities which includes coordination for caregivers, full day & residential programs and employment supports.
 - \$30 million in FY 2027 for new OPWDD service opportunities (\$60 million annualized, which means the funding would grow to \$60M per year once fully implemented)
 - \$15 million to develop housing for individuals with intellectual and developmental disabilities
- Office of Mental Health ([OMH](#)): \$6.13 billion (up \$680.2 million / 12.5%)
- Office of Addiction Services and Supports ([OASAS](#)): \$1.02 billion (down \$58.9 million / - 5.4%)
- \$162.2 million State funding increase (1.7% [Targeted Inflationary Increase](#) - funding that helps with the rising costs of wages and utilities) for voluntary providers. Voluntary providers

refer to non-profit, community-based organizations that enter into contracts with the State to provide mental health, addiction and developmental disability services.

- \$53.5 million State investment to support minimum wage increases for licensed providers
- Over \$71 million to increase rates for OMH and [OASAS](#) supportive housing programs. In supportive housing, tenants have their own lease and live in permanent, affordable apartments but is typically paired with wraparound services which are either provided on-site or coordinated through community providers. These services can include therapy, substance use treatment and assistance with employment or daily living skills.
- \$17.5 million to expand Teen Mental Health First Aid training statewide which focuses on learning and identifying signs of mental health challenges in themselves or peers and how to appropriately intervene and provide support.
- \$1 million to establish a First Responder Behavioral Health Center of Excellence which would focus on addressing the mental health needs of first responders including police officers, firefighters, EMTs and correctional staff.
- Authority to continue [Opioid Settlement Fund](#) investments (over \$454 million made available to date). This fund consists of payments from opioid manufacturers as part of national legal settlements. All funds must be used for addiction treatment, prevention and recovery services.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor's FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Mental Health budget breakdown, you can review [written testimonies from the executive and other key mental health stakeholders here](#). A recording of the budget hearing testimony is [available here](#).



Education

Education remains one of the largest investments in the State budget. The Executive proposal maintains historically high levels of School Aid while continuing formula-based [Foundation Aid](#) growth and expands access to early childhood programs. Foundation Aid is the primary formula the State uses to determine how to distribute funding to school districts and is the largest source of operating aid for public schools. It accounts for district wealth, student need and regional cost of living. For districts in the 125th Assembly District, predictable Foundation Aid is essential for long-term planning particularly as costs for salaries, transportation, health insurance and special education services continue to rise.

Proposed Budget Summary:

- \$39.3 billion in School Aid (up \$1.6 billion, 4.3%)
- \$27.1 billion in total for Foundation Aid (up \$779 million, 3%)
- \$395 million to reimburse the cost of school meals served in FY 2027 (up \$55 million, 16.2%)
- \$45.6 million for capital improvements to the five State-owned schools
- \$104.7 million of Library Aid
- \$34 million for Library Construction
- \$561 million increase (52.5%) in Universal Prekindergarten Aid which intends to expand full-day pre-kindergarten access to all school districts statewide.
- \$282 million projected increase (2.9%) in Expense-Based Aids. This funding reimburses districts for specific costs they have already incurred such as construction projects, student

transportation, Boards of Cooperative Educational Services - better known as BOCES (allows school districts to share specialized programs, particularly in career and technical education) and special education services.

- \$1.27 billion for Preschool Special Education (up \$173 million / 15.8%)
- \$437 million for Summer School Special Education (up \$24 million / 5.8%)
- \$240 million for nonpublic school mandated services aid (up \$10 million). Public schools are legally required to provide administrative and testing services to nonpublic school students, this funding reimburses schools for this support.
- \$90 million for nonpublic health and safety capital projects (up \$20 million)
- Charter Schools
 - \$195 million for charter school supplemental tuition (helps offset the impacts on districts when students enroll in chapter schools).
 - \$177 million for charter school facilities aid
- \$12 million additional funding for the Office of Cultural Education

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Human Services: Childcare & Housing

Child Care

The Executive Budget includes expanded funding for child care and early childhood education programs. Child care access remains one of the most significant barriers to workforce participation in our region. Expanding access must include addressing child care deserts and ensuring providers are paid fairly so programs can recruit and retain staff. Child care deserts are communities where there are far more children than available licensed child care slots.

For those interested in statewide data on child care access and workforce trends, the [Schuyler Center Data Book](#) provides a comprehensive overview.

Proposed Budget Summary:

- \$1.7 billion increase in child care investments as part of the pathway to universal child care.
- Continued funding for the [Child Care Assistance Program \(CCAP\)](#) to expand eligibility and reduce family co-pays. CCAP helps low- and moderate-income working families pay for childcare by subsidizing a portion of the cost which goes directly to childcare providers from the state.
- Continued funding for Universal Pre-K statewide
- Continued funding to stabilize the child care workforce and support provider operations to help providers cover rising wages, rent, insurance and utilities.
- Administrative funding to support local social services responsible for processing applications, determining eligibility and ensuring program compliance.

Housing

The Executive Budget advances proposals intended to increase housing production and streamline development processes. Increasing the housing supply is essential. However, solving the affordability crisis requires more than simply building more units. In our region, high housing costs intersect directly with rental market pressures, stagnant wages, and the long-term capacity of local infrastructure.

Proposed Budget Summary:

- \$25 billion five-year Housing Plan (on pace to create/preserve 100,000 homes, including 10,000 supportive units and electrify 50,000 homes). This plan combines new construction with preserving existing affordable housing as maintaining older housing is often more cost-effective than building brand new units.
- \$250 million in new capital to accelerate low-income housing construction
- \$50 million in new local assistance for the [Housing Access Voucher Pilot Program](#). These function similarly to the federal section 8 housing vouchers, helping low-income New Yorkers retain permanent housing by subsidizing rent. Tenants would contribute 30% of their income toward rent with the rest covered by subsidies.
- \$500 million continued for State-owned land redevelopment (up to 15,000 housing units). The State owns a number of underutilized properties that could be repurposed for housing.
- \$50 million continued for starter/modular homes
- \$100 million additional capital for modular and factory-built housing ([MOVE-IN NY program](#)). This funding would scale up the use of Crossover Modern Homes (CrossMods or Modulares) which are constructed in factories and assembled on-site which reduces construction timelines and costs.
- \$150 million continued for “[New York Housing for the Future](#)” program
- \$170 million available for Land Banks which are non-profit entities that acquire abandoned properties and renovate them for housing and community use.
- \$70 million continued for Infill Housing ([Block by Block program](#)) which focuses on building smaller scale homes on vacant lots within existing neighborhoods (avoids large new development projects).
- \$25 million for first-time homebuyer assistance

- \$50 million continued for the Targeted Home Improvement Program ([T-HIP](#)) which provides funding to homeowners for critical repairs like heating systems, accessibility upgrades and roofing.
- \$50 million continued for the Mixed-Income Revolving Loan Fund which provides flexible financing for mixed-income housing developments.
- \$153 million total for [Homeless Housing & Assistance Program](#) (includes \$25M new supplemental funding) which funds the construction and rehabilitation of housing specifically designed for individuals and families experiencing homelessness.
- \$50 million additional capital for [Resilient & Ready flood recovery program](#) which provides financial assistance to homes which sustained storm damage and when home and/or flood insurance coverage funds are not sufficient to return the home to safe and habitable condition.
- \$20 million additional capital for Lead Abatement
- \$2 million continued for [Green Affordable Pre-Electrification](#) which funds grant allocations to subrecipients to perform upgrades to existing homes to prepare them for future electrification of heating systems.
- \$2 million new local assistance for [Fair Housing Testing](#) to uncover evidence of race and disability discrimination in rental housing.
- \$402,000 additional funding for [Upstate Tenant Protection Units](#) which investigate tenant complaints, enforce housing laws and ensure renters are protected.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor’s FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Housing & Childcare budget breakdown, you can review [the written testimony here](#). A recording of the budget hearing testimony is available here.



Environment, Energy & Agriculture

Environment:

The Executive Budget continues long-term environmental infrastructure investments, including clean water, coastal resiliency, and capital improvements to parks and environmental facilities.

While funding levels remain substantial, the proposal does not yet fully articulate how spending decisions align with the [Climate Action Council's Scoping Plan](#) pathways under the [Climate Leadership and Community Protection Act](#) (CLCPA), particularly with respect to measurable emissions reductions and implementation timelines. The CLCPA is New York's landmark climate law which requires the State to reduce greenhouse gas emissions 40% by 2030 and 80% by 2050 while transitioning to a clean energy economy.

Proposed Budget Summary:

- \$3.75 billion five-year Clean Water Infrastructure commitment (\$750 million annually)
- \$10.4 billion total Clean Water investment since 2017
- \$425 million [Environmental Protection Fund](#) (EPF) which supports land conservation, farmland protection, waterfront restoration, upgrading municipal sewage treatment plants, creating public parks among many other large projects.
- \$340 million for State Parks capital improvements
- \$668 million for [U.S. Army Corps of Engineers](#) coastal resiliency and water infrastructure projects
- \$90 million for [Department of Environmental Conservation](#) (DEC) capital improvements (dams, campgrounds, trails, wetlands, hatcheries)

- \$50 million to decarbonize State government facilities
- \$75 million for [NYBRICKS](#) which provides capital funding to build or upgrade community centers.
- \$50 million for Canal System infrastructure improvements that are critical for flood control, tourism and regional economic activity.

The Executive Budget includes proposed amendments to the [State Environmental Quality Review Act](#) (SEQRA) intended to streamline environmental review for projects that are already zoned and consistent with local planning. SEQRA is the State law that requires government agencies to evaluate potential environmental impacts before approving major projects. The proposal would create new exemptions and expedited review processes for certain housing developments, particularly in areas where local governments have already approved zoning and conducted environmental analysis. The goal is to reduce delays, increase housing production, and provide greater certainty in the development process while maintaining core environmental protections.

The SEQRA proposal that the Governor included in the Executive Budget, is a stripped down version of my bill, the Sustainable Affordable Housing and Sprawl Prevention Act ([A6238A/S3492A](#)). This bill seeks to reform the SEQRA process to promote more housing in walkable, transit-friendly, mixed-used neighborhoods, and to prevent its use for unintended purposes. It also includes more comprehensive environmental protections and ensures that affordable housing eligible for this program, is on full development to prevent sprawl into open spaces. To learn more about my bill, [read this op-Ed written](#) by Senator Rachel May and myself.

Energy:

The Executive Budget continues implementation of the State's long-term energy planning framework while proposing targeted affordability and efficiency programs. As ratepayer costs rise across upstate communities, legislative review will focus on whether proposed investments strengthen grid reliability, accelerate emissions reductions, and protect consumers from unnecessary cost burdens.

Proposed Budget Summary:

- \$50 million for New York State Energy Research and Development Authority ([NYSERDA](#)) [EmPower Plus program](#) which helps low and moderate income households by funding home energy efficiency upgrades such as insulation, air sealing and heating systems.
- \$5 million for [Mechanical Insulation Energy Savings Program](#) to lower energy use and carbon footprints of large public buildings by insulating pipes, boilers and mechanical systems.

- Advancing Excelsior Power: \$25 per month utility bill credit for one year for participating consumers
- Continued implementation of the [State's 15-year Energy Plan through 2040](#)
- Ongoing oversight of a \$43 billion regulated utility sector through the Department of Public Service ([DPS](#)) and the Public Service Commission ([PSC](#)). The PSC regulates utility rates, investments in infrastructure and service reliability for gas and electricity providers across New York.

Agriculture

The Executive Budget includes targeted support for dairy producers, specialty crop growers, and farmland preservation initiatives. As federal trade and tariff policies shift, maintaining stability for small and mid-sized farms will remain a central focus.

Proposed Budget Summary:

- \$15 million for [Dairy Modernization Grant Program](#) to help offset costs of technology and infrastructure for dairy farmers to expand storage capacity and improve transportation and storage of milk.
- Five-year extension of refundable investment tax credit for dairy producers (through 2032)
- \$30 million in direct tariff relief payments to specialty crop growers, livestock producers, and dairy farmers to help offset market disruptions caused by international conditions.

As the Legislature reviews the proposal and the 30-day amendments, we will be evaluating whether investments are structured to reduce long-term costs for ratepayers, advance emissions reductions on schedule, and ensure transparency and accountability in implementation.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor's FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Agriculture budget breakdown, you can review the [written testimony here](#). A recording of the budget hearing testimony is [available here](#). If you would like to read more about the Environment & Energy budget breakdown, you can review the [written testimony here](#). A recording of the budget hearing testimony is [available here](#). Part 2: [here](#). Part 3: [here](#).

Public Protection

The Executive Budget proposes continued investment in law enforcement, gun violence prevention, corrections infrastructure, and emergency response.

Proposed Budget Summary:

- \$8.25 billion total Public Safety spending projected for FY 2027
- \$352 million for gun violence prevention programs
- \$305 million to improve the effectiveness of the criminal justice system. This funding supports district attorney offices, public defenders, modernization of court systems and re-entry programs which assist individuals returning to their communities after incarceration.
- \$35 million for [Securing Communities Against Hate Crimes \(SCAHC\)](#) grants which help nonprofit organizations improve security at facilities that may be vulnerable to hate crimes.
- \$50 million for [Law Enforcement Technology \(LETECH\) grants](#) which fund policing technology upgrades that include license plate readers, body cameras and digital evidence management systems.
- \$115 million for [Joint Task Force Empire Shield](#), a partnership between the New York National Guard and law enforcement agencies that helps monitor and protect major transportation systems and public events against potential threats.
- \$4.5 million to expand Crime Analysis Centers statewide which collect and analyze crime data which helps law enforcement identify patterns and coordinate investigations.
- \$6.7 million to upgrade DNA and forensic lab technology
- \$2 million to combat auto insurance fraud. This funding will primarily go to the State Police and investigators to investigate organized auto insurance fraud networks and build criminal cases against fraud rings.

Disaster Response:

- \$5.3 million to establish a new National [Urban Search and Rescue](#) Response System which include teams that are specially trained to respond to disasters that require specialized rescue equipment and expertise.
- \$5 million for State Police drone pilot program and counter-drone planning
- \$500,000 to improve police training academy accreditation
- \$4.4 million for State Police critical incident leave support

Corrections:

- \$400 million to accelerate installation of fixed cameras in correctional facilities
- \$18 million for body-worn camera program

- \$7.2 million to expand the [Office of Special Investigations](#) which independently reviews incidents involving deaths or serious injuries that occur during interactions with law enforcement or in correctional facilities.
- \$535 million to extend National Guard operating support
- \$35.8 million for electronic health records system in correctional facilities
- \$3 million to expand correction officer recruitment office
- \$150 million for correction officer salary benefits and enhancements
- \$1.1 million to establish a body-worn camera Freedom of Information Law (FOIL) processing unit

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor’s FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Public Protection budget breakdown, you can review the [written testimony here](#). A recording of the budget hearing testimony is [available here](#).



Higher Education

The Executive Budget proposes continued investment in public higher education. Higher education is important to New York’s economic strength and growth because it prepares the workforce our state depends on. Public institutions like the [State University of New York \(SUNY\)](#) and the [City University of New York \(CUNY\)](#) systems educate more than 634,000 students annually. These institutions train teachers, nurses, engineers, researchers, and small business owners.

State financial aid programs such as the [Tuition Assistance Program \(TAP\)](#) and the [Excelsior Scholarship](#) help keep college affordable, reduce student debt, and ensure that working class families are not priced out of earning a degree. TAP is New York’s primary need-based financial aid program, providing grants to eligible students attending in-state colleges and universities. The

Excelsior Scholarship allows eligible students from middle- and lower-income families to attend SUNY and CUNY tuition-free.

Proposed Budget Summary:

- \$244 million in new State support
 - \$174 million for SUNY four-year campuses
 - \$70 million for CUNY four-year campuses
- \$1.1 billion for New State-Supported Capital Projects which support the construction, renovation, and campus modernization of facilities like classrooms, labs, residence halls and buildings.
 - \$595 million for SUNY
 - \$314 million for CUNY
 - \$185 million for community colleges
- \$12.5 million to expand the [New York State Opportunity Promise Scholarship](#) program provides free community college for adult learners who have not yet earned a college degree and are pursuing an associate degree in high-demand fields such as nursing, teaching, technology and engineering.
- \$1.017 billion for [Higher Education Services Corporation](#) (HESC) financial aid programs (up \$23 million). HESC administers the major financial aid programs in New York which includes TAP and the Excelsior Scholarship which support hundreds of thousands of students each year.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor's FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Higher Education budget breakdown, you can review the [written testimony here](#). A recording of the budget hearing testimony will be [available here](#).



Transportation:

The Executive Budget proposes continued investment in transportation infrastructure through Year 5 of the five-year [Department of Transportation](#) (DOT) Capital Plan. The Capital Plan funds large scale transportation infrastructure projects like highway construction, bridge replacement, rail improvement and transit investments across the state. For Tompkins and Cortland Counties, reliable transportation plays a significant part in economic stability and public safety. Rural and small-city communities depend on well-maintained roads, structurally sound bridges, and accessible transit systems to connect residents to work, school, healthcare, and regional commerce.

Proposed Budget Summary:

- \$34.4 billion total DOT five-year Capital Plan (47% increase over the prior plan)
 - \$6 billion for Year 5
- \$9.6 billion total statewide mass transit operating support. These funds help transit agencies cover day-to-day costs such as driver salaries, fuel, maintenance and service operations.

Upstate & Regional Transit

- \$370 million for Upstate transit systems (5.8% increase). These investments support transit providers like our local Tompkins Consolidated Area Transit (TCAT).
- \$200 million in non-Metropolitan Transportation Authority (MTA) capital assistance for transit systems

Local Roads & Bridges

- \$688 million for Consolidated Local Street and Highway Improvement Program ([CHIPS](#)) and Marchiselli local highway programs. CHIPS is the State’s primary program for helping municipalities repair and maintain local roads and highways. The Marchiselli program reimburses local governments for a portion of the costs of federally funded transportation projects.
- \$100 million for [Local Pave Our Potholes \(POP\)](#) helps municipalities repair deteriorated road surfaces and address pothole damage.
- \$150 million for [PAVE NY](#) provides funding specifically for resurfacing and improving pavement conditions on local roads.
- \$200 million for [BRIDGE NY](#) funds the rehabilitation and replacement of aging local bridges and culverts, many of which are critical for emergency response routes.
- \$100 million for the [Extreme Winter Recovery Program](#) provides additional funding to repair road damage caused by severe winter weather.
- \$140 million for the State Touring Route Program. Touring routes are the state highway corridors that connect communities across regions and support freight movement and regional travel.

These programs support county and town highway departments, flood-prone bridge replacements, winter road recovery, and transit providers that serve rural residents and workforce commuters. Ensuring these investments are sustained and predictable is critical for long-term planning and infrastructure resilience in our region. Transportation infrastructure also supports the regional economy by connecting communities like Ithaca and Cortland with surrounding rural towns, higher education institutions and regional employers.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor’s FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the Transportation budget breakdown, you can review the written testimony here. A recording of the budget hearing testimony is available here.



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Workforce Development/Labor

Workforce participation in our district is closely connected to access to child care, transportation, and affordable housing. When families cannot secure reliable child care or face long commutes due to housing costs or limited transit options, it becomes significantly more difficult to enter or remain in the workforce. In addition to workforce development initiatives, the Executive Budget includes investments in State employee compensation and benefits, which are a major component of overall State operating costs.

Proposed Budget Summary:

- \$5.934 billion for New York State Health Insurance Program [NYSHIP](#) (up \$316 million / 5.6%) provides health insurance coverage for State employees, retirees and their dependents and represents one of the largest benefit costs in the budget.
- \$2.998 billion for Pensions (up \$239 million / 8.7%). Pension contributions fund retirement benefits for public employees through the NYS and Local Retirement System which covers State workers as well as many local government employees.
- Continued funding for workforce development initiatives and apprenticeship pathways across State agencies. These fund programs that support job training partnerships with employers, community colleges and trade organizations to prepare workers for careers in high demand fields like healthcare, skilled trades and manufacturing.

For a detailed overview of the Executive Budget proposals in this section, you can review the Governor's FY 2027 Executive [Budget Briefing Book here](#). If you would like to read more about the

Workforce Development/Labor budget breakdown, you can review the written testimony here. A recording of the budget hearing testimony is available here.

What's Next?

The Assembly and Senate have begun holding budget hearings. Upon conclusion, each will issue a one-house budget proposal. The final step is to negotiate with the Governor.

As the Legislature develops its one house budget, I will continue to provide updates. Please reach out to my office if you have any questions.

In good health,



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Assemblymember, 125th A.D.

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